

DRAFT MINUTES
Board of Agriculture and Consumer Services
Oliver W. Hill Building, 102 Governor St., Richmond, Virginia
March 22, 2007

The meeting convened at 9:00 a.m. on Thursday, March 22, 2007, in Room 220 of the Oliver Hill Building, 102 Governor Street in Richmond, Virginia. President Holland requested a moment of silence and then called the meeting to order. The Board Secretary called the roll:

PRESENT

L. Bruce Holland
Paul W. Rogers, Jr.
T. M. Hardison
Andrea Lohr
Edward S. Fleming
Gregory J. Galligan
Charles C. Clark, Jr.
John D. Hardesty, Jr.
Melvin Murphy
Dr. Alma Hobbs

DISTRICT

2nd
3rd
4th
6th
7th
8th
9th
10th
11th

Representing, President of Virginia
State University
Representing, President of Virginia Tech

ABSENT

Stephen Wolfe

1st

POSITION VACANT

5th

STAFF PRESENT

Donald G. Blankenship, Deputy Commissioner
Roy E. Seward, Board Secretary

APPROVAL OF MINUTES

The minutes of the December 7th meeting were approved as distributed.

RESOLUTION PRESENTED TO CARLTON COURTER

President Holland presented former Commissioner Carlton Courter with a framed resolution adopted by the Board at its December Board meeting honoring Mr. Courter for his service and contributions to Virginia agriculture during his years as Commissioner.

REPORT FROM SECRETARY OF AGRICULTURE & FORESTRY

During his report Secretary Robert S. Bloxom commented on the outstanding work of the Board and expressed his appreciation for the members' commitment and dedication to the Board. He also said he is looking forward to helping the Board in the future.

REPORT FROM BOARD MEMBERS

Dr. Hobbs reported that Virginia State presented its first doctoral degree in the School of Education. She added that the University is aggressively pursuing another doctoral program in agriculture and biological science. She told the Board that VSU will be celebrating its 125th anniversary in 2007 and that the University's gala event will be held on April 21. Dr. Hobbs noted that VSU was the first fully state-supported institution of higher education for African Americans. She reported that the University expects to open its new engineering building and student housing facility complex this fall.

Dr. Riddell reported on Virginia Tech's high ranking among universities thanks to its research efforts. He noted that 23 percent of research at Tech is in the College of Agriculture and Life Sciences. He reported on his University's success in obtaining funding for new positions to support Virginia Tech's program efforts around the state.

Mr. Hardesty mentioned that his district received considerable moisture this winter including snow and ice. In his comments on crop expectations, he advised that there will probably be a lot of corn and soybeans planted in his area in 2007.

Mr. Galligan reported that he was stationed at Fort Lee in December during military training. He mentioned his efforts to communicate with constituents in the eighth congressional district. He noted that some in his district are concerned that VDACS is not doing enough to enforce state laws on animal welfare and animal cruelty. He asked VDACS staff to present, at a future meeting, what the department is doing in the area of animal welfare.

Mr. Clark reported that his area had a cold and dry winter. He mentioned that the period December through February was the second driest on record. He added that rainfall was five inches below normal during those months and that the temperatures overall were the 11th coldest since 1934. He indicated that his area recently received 1.75 inches of rainfall and that he hoped that precipitation is back to normal.

Ms. Lohr reported that her district has received considerable precipitation and that farmers are beginning spring field work. She thanked everyone for the

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cards, emails, and general support over the past several months. She noted that these months have been a real journey for her. She expressed appreciation for all the work Mr. Courter had done as Commissioner and noted that she first met him while she was a student teacher at Broadway High School in Rockingham County.

Mr. Murphy mentioned that Mr. Galligan is running for the State Senate in the eighth congressional district. He also mentioned the loss of key local staff in his district who work in consumer protection. He indicated that the local Consumer Protection Commission is gearing up for the matter of issuing taxi cab medallions and an expected fight on licensing. He noted that consumer complaints are down. He also expressed his appreciation for Mr. Courter's service and commitment to the Board.

Mr. Hardison expressed concern for the conflicts that can develop between neighbors when city dwellers move to rural farming areas. He suggested that the Department and the Board consider ways to reduce conflicts that may arise concerning such issues as the application of biosolids on farmland. He also talked about the development of the new Farm Bill. He predicted that farmers in his district will plant more corn in response to the rising market price. He noted that a number of farmers went out of peanut production and sold their equipment. He added that it would be too costly for them to jump back into peanuts from year to year. He mentioned that a new peanut contract is coming out soon.

Mr. Rogers reported that this year there will be an increase in acreage for grains, corn, soybean, wheat and peanuts---all at the expense of cotton acreage. He noted that there is an optimism due to market prices. He expressed concern for the lack of sufficient grain handling capacity on farm and at elevators and the problem is not attributable to increases in acreage. He added that new equipment being used by farmers has sped up the movement of grain from the field to storage and that this new speed is creating backups and worsening the grain storage situation.

In response to Mr. Rogers' question about the sale of firewood, Andy Alvarez, Director of the Division of Consumer Protection, confirmed Mr. Blankenship's comment that this product is normally sold by volume (a cord) and not by weight or whether it is wet or dry wood.

Mr. Fleming reported that farmers in his district are beginning their spring planting. He noted that the weather was hot in January and cold in February. He told the Board that grain prices and fuel and fertilizer prices are up and that the local farmers market will soon be open.

Mr. Holland reported that the Eastern Shore had a wet and cold winter. He advised that 80 to 90 percent of potatoes have been planted on the Shore. He noted that corn acreage is expected to rise at the expense of soybeans. He added that some storage facilities were being improved and that some new on-farm storage was going up. He also talked about the impact of government subsidies on the production corn-based ethanol and the need to look further ahead when the government cuts subsidies.

Mr. Holland shared with the Board that former Board member Wanda McDowell had resigned to spend more time with personal matters.

VDACS OPERATIONAL REPORT

Deputy Commissioner Blankenship briefed the Board on agency operations. A copy of the report was included in the Board's meeting folders.

LEGISLATIVE UPDATE

Mr. Blankenship recognized agency staff who contributed to the Department's efforts during the recent session of the state legislature to review, analyze and track key bills and resolutions as well as attend committee and subcommittee meetings to answer technical questions and represent the interests and position of the Governor on these various proposals. Perida Giles, Assistant Director of the Office of Policy, Planning and Research, who assisted the Commissioner's Office in coordinating the legislative review/analysis/tracking process, presented an update on legislation of interest concerning agriculture and consumer protection issues that was passed by the 2007 General Assembly. A copy of the most recent edition of the VDACS legislative tracking record was included in the Board's meeting folders.

Following this update, President Holland asked staff to send any future legislative tracking documents to him via email rather than send him hard copies. Mr. Hardison indicated that he would prefer to continue receiving hard copies of this document. Staff will check with Board members to determine their individual preferences for receiving future tracking documents by email or in hard copy.

BUDGET UPDATE

Sandy Adams, Director of the Office of Administrative and Financial Services, briefed the Board on amendments to the 2006-2008 state budget for the Department that were passed by the General Assembly. A list of these amendments was included in the Board's meeting folders.

REPORT ON WEIGHTS AND MEASURES PROGRAM

Andy Alvarez, Director of the Division of Consumer Protection, presented a report on the Department's Weights and Measures Program. A copy of the annual report on the

testing and inspection activities of the Department's Weights and Measures Program was included in the Board's meeting folders.

WINE DISTRIBUTION CORPORATION LEGISLATION

Mr. Blankenship reviewed with the Board legislation passed by the General Assembly (House Bill 2450 and Senate Bill 1413) that would direct the Commissioner of Agriculture and Consumer Services to establish (no later than 90 days after the legislation becomes law) a nonprofit, nonstock corporation to assist the distribution of farm winery wine. He added that this legislation specifies that the Commissioner will serve as a member of the board of directors established to direct this corporation and that the Board of Agriculture and Consumer Services will appoint four persons to the board of directors of this corporation and that the Board will consider nominations of the Virginia Wineries Association and the Virginia Wine Wholesalers Association in making these appointments.

During this briefing, Mr. Blankenship presented the Board with copies of nomination letters from the two associations and the attached background on the candidates for appointment. He also called on persons from the wine industry in the audience who answered questions from the Board regarding the candidates. Ann Heidig, President of the Virginia Wineries Association, told the Board that her organization contacted farm wineries that were not members of the VWA as well as member wineries to identify interested persons. David King, one of the candidates for appointment recommended by the VWA, responded to Board questions.

After some discussion, Mr. Rogers made the following motion:

In anticipation that legislation passed by the 2007 Virginia General Assembly, Senate Bill 1413 and HB 2450, concerning the creation of a nonstock corporation to assist the distribution of farm winery wine will soon become law, the Board of Agriculture and Consumer Services, contingent upon SB 1413 and/or HB 2450 becoming law, does hereby appoint the following persons to serve on the board of directors of such corporation for a term beginning on the effective date of the legislation and ending July 1, 2008 or until such time as set forth in the corporation's by-laws or subsequent statutory provisions:

Randle Phillips of Mt. Jackson, Virginia - to serve as an owner or manager of a winery or farm winery licensee that is not served by a wholesaler when appointed to the board of directors,

David L. King of Crozet, Virginia, - to serve as a owner or manager of a winery or farm winery licensee that produces no more than 10,000 cases per year,

Jay W. Colston, III, of Alexandria, Virginia - to serve as an owner or manager of a wine wholesaler licensee, and

Danny Tomlin of Richmond, Virginia - to serve as an owner or manager of a wine wholesaler licensee.

Mr. Clark seconded the motion and it was carried by a unanimous vote.

BRIEFING ON BOARD'S ROLE/DUTIES

Jasen Eige, Senior Assistant Attorney General, briefed Board members on the role and duties of the Board as a policy making body. After Mr. Eige's comments about Board member accessibility to the public, Mr. Seward indicated that staff will put contact information on the Board webpage for those Board members who wish to have that information displayed.

NEW BUSINESS

Mr. Galligan indicated he wants his email address included on the Board's webpage to make it easier for the public to contact him and agreed to send that email address to the Department staff.

Mr. Holland welcomed the new VDACS staff who had been introduced earlier by Mr. Blankenship. He asked Mr. Seward to advise him on what would be the appropriate steps for having the nutrient management program transferred under the Secretary of Agriculture and Forestry.

Mr. Holland restated Mr. Galligan's earlier request that staff present a report on the Department's efforts to enforce state animal welfare and cruelty laws at the May meeting of the Board.

Mr. Holland stated he would like staff to send him VDACS news releases via email instead of sending hard copies by mail. Staff will determine the preferences of the individual Board members for receiving news releases by email versus mail and make those changes in the distribution of these materials.

PLANS FOR FUTURE BOARD MEETINGS

Mr. Holland reported that the Board's next meeting is scheduled for May 17 in Richmond. Mr. Holland noted that Mr. Clark has agreed to host the summer meeting of the Board in the Chilhowie area. After some discussion of potential dates for the summer Board meeting and tour, it was agreed that the meeting would be in the afternoon of August 23 with a tour the next day. Mr. Holland stated that the last meeting of the year would be on December 6 in Richmond.

PUBLIC COMMENT PERIOD

Christine Solem of Charlottesville spoke to the Board regarding her support of House Bill 1990, a bill that would have made it clear that Virginia would not have a mandatory National Animal Identification System. She explained that this bill failed to be reported from subcommittee. She also expressed her concerns regarding

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potential costs she believes will be created for farmers with small operations if they are forced to comply with a mandatory animal ID program.

ANNUAL REPORT ON VIRGINIA FARMERS MARKET SYSTEM

The 2006 annual report and the 2007 plan for the Virginia Farmers Market System were included in the Board's meeting folders.

ADJOURNMENT

The Board adjourned at 12:10 p.m.

Respectfully submitted,

L. Bruce Holland, Board President

Roy Seward, Board Secretary